

# Form W-4 (2008)

**Purpose.** Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. Consider completing a new Form W-4 each year and when your personal or financial situation changes.

**Exemption from withholding.** If you are exempt, complete **only** lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2008 expires February 16, 2009. See Pub. 505, Tax Withholding and Estimated Tax.

**Note.** You cannot claim exemption from withholding if (a) your income exceeds \$900 and includes more than \$300 of unearned income (for example, interest and dividends) and (b) another person can claim you as a dependent on their tax return.

**Basic instructions.** If you are not exempt, complete the **Personal Allowances Worksheet** below. The worksheets on page 2 adjust your withholding allowances based on itemized deductions, certain credits,

adjustments to income, or two-earner/multiple job situations. Complete all worksheets that apply. However, you may claim fewer (or zero) allowances.

**Head of household.** Generally, you may claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals. See Pub. 501, Exemptions, Standard Deduction, and Filing Information, for information.

**Tax credits.** You can take projected tax credits into account in figuring your allowance number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See Pub. 919, How Do I Adjust My Tax Withholding, for information on converting your other credits into withholding allowances.

**Nonwage income.** If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax

payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you may owe additional tax. If you have pension or annuity income, see Pub. 919 to find out if you should adjust your withholding on Form W-4 or W-4P.

**Two earners or multiple jobs.** If you have a working spouse or more than one job, the total number of allowances you claim will be the sum of allowances claimed on all jobs. Complete worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others. See Pub. 919 for details.

**Nonresident alien.** If you are a nonresident alien, see the Instructions for Form 8233 for information on completing this Form W-4.

**Check your withholding.** If you use Form W-4, take time to see Pub. 919 to see if you are having withheld too much or too little. Pub. 919 compares your withheld tax to your projected total tax for 2008. See Pub. 919, **Check Your Withholding**, if your earnings exceed \$130,000 (or \$180,000 if married).

## Personal Allowances Worksheet (Keep for your records)

<b>A</b> Enter "1" for <b>yourself</b> if no one else can claim you as a dependent. . . . .	<b>A</b> _____
<b>B</b> Enter "1" if: <ul style="list-style-type: none"><li>• You are single and have only one job; or</li><li>• You are married, have only one job, and your spouse does not work; or</li><li>• Your wages from a second job or your spouse's wages (total of both) are \$1,500 or less.</li></ul> . . . . .	<b>B</b> _____
<b>C</b> Enter "1" for your <b>spouse</b> . But, you may choose to enter "-0-" if you are married and have either a working spouse or more than one job. (Entering "-0-" may help you avoid having too little tax withheld.) . . . . .	<b>C</b> _____
<b>D</b> Enter number of <b>dependents</b> (other than your spouse or yourself) you will claim on your tax return. . . . .	<b>D</b> _____
<b>E</b> Enter "1" if you will file as <b>head of household</b> on your tax return. (See Pub. 501 for conditions under which you may qualify.) . . . . .	<b>E</b> _____
<b>F</b> Enter "1" if you have at least \$1,500 of <b>child or dependent care expenses</b> for which you want to claim a credit. (Note. Do not include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.) . . . . .	<b>F</b> _____
<b>G</b> <b>Child Tax Credit</b> (including additional child tax credit). (See Pub. 972, Child Tax Credit, for more information.) <ul style="list-style-type: none"><li>• If your total income will be less than \$58,000 (\$86,000 if married), enter "2" for each eligible child.</li><li>• If your total income will be between \$58,000 and \$119,000 (\$86,000 and \$119,000 if married), enter "1" for each eligible child plus "1" <b>additional</b> if you have 4 or more children.</li></ul> . . . . .	<b>G</b> _____
<b>H</b> Add lines A through G and enter total here. (Note: This total may be different from the number of exemptions you claim on your tax return.) . . . . .	<b>H</b> _____
For accuracy, complete all worksheets that apply. <ul style="list-style-type: none"><li>• If you plan to <b>itemize deductions</b> and <b>claim adjustments to income</b> and want to reduce your withholding, see the <b>Deductions and Adjustments Worksheet</b> on page 2.</li><li>• If you have <b>more than one job</b> or are <b>married and you and your spouse both work</b> and the combined earnings from all jobs exceed \$40,000 (\$25,000 if married), see the <b>Two-Earners/Multiple Jobs Worksheet</b> on page 2 to avoid having too little tax withheld.</li><li>• If <b>neither</b> of the above situations applies, <b>stop here</b> and enter the number from line H on line 5 of Form W-4 below.</li></ul>	

Cut here and give Form W-4 to your employer. Keep the top part for your records.

<b>Form W-4</b> Department of the Treasury Internal Revenue Service		<b>Employee's Withholding Allowance Certificate</b>		OMB No. 1545-0074 <b>2008</b>
Whether you are entitled to claim a number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.				
1 Type or print your first name and middle initial, last name		2 Your social security number		
Home address (number and street or rural route)		3 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate. <b>Note.</b> If married, but legally separated, or spouse is a nonresident alien, check the "Single" box.		
City or town, state, and ZIP code		4 If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a replacement card. <input type="checkbox"/>		
5 Total number of allowances you are claiming from line H above or from the applicable worksheet on page 2)		5		
6 Additional amount you want withheld from each paycheck		6		\$
7 I declare under penalty of perjury that I am an individual who is not a nonresident alien, and I certify that I meet both of the following conditions for exemption. I had a right to a refund of all federal income tax withheld because I had no tax liability and this year I expect a refund of all federal income tax withheld because I expect to have no tax liability. If you meet both conditions, enter "Exempt" here . . . . . <b>7</b>				
Under penalties of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.				
Employee's signature (Form is not valid unless you sign it.)		Date		
8 Employer's name (Employer: Complete lines 8 and 10 only if sending to the IRS.)		9 Office code (optional)		10 Employer identification number (EIN)

**Deductions and Adjustments Worksheet**

**Note.** Use this worksheet *only* if you plan to itemize deductions, claim certain credits, or claim adjustments to income on your 2008 tax return.

- 1 Enter an estimate of your 2008 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions. (For 2008, you may have to reduce your itemized deductions if your income is over \$159,950 (\$79,975 if married filing separately). See *Worksheet 2* in Pub. 919 for details.) \$ \_\_\_\_\_
- 2 Enter:  $\left\{ \begin{array}{l} \$10,900 \text{ if married filing jointly or qualifying widow(er)} \\ \$8,000 \text{ if head of household} \\ \$5,450 \text{ if single or married filing separately} \end{array} \right\}$  2 \$ \_\_\_\_\_
- 3 **Subtract** line 2 from line 1. If zero or less, enter "-0-" 3 \$ \_\_\_\_\_
- 4 Enter an estimate of your 2008 adjustments to income, including alimony, deductible IRA contributions, and student loan interest \$ \_\_\_\_\_
- 5 **Add** lines 3 and 4 and enter the total. (Include any amount for credits from *Worksheet 1* in Pub. 919) 5 \$ \_\_\_\_\_
- 6 Enter an estimate of your 2008 nonwage income (such as dividends or interest) 6 \$ \_\_\_\_\_
- 7 **Subtract** line 6 from line 5. If zero or less, enter "-0-" 7 \$ \_\_\_\_\_
- 8 **Divide** the amount on line 7 by \$3,500 and enter the result here. Drop any fraction 8 \_\_\_\_\_
- 9 Enter the number from the **Personal Allowances Worksheet**, line H, page 1 9 \_\_\_\_\_
- 10 **Add** lines 8 and 9 and enter the total here. If you plan to use the **Two-Earners/Multiple Jobs Worksheet**, also enter this total on line 1 below. Otherwise, **stop here** and enter this total on line 5, page 1 10 \_\_\_\_\_

**Two-Earners/Multiple Jobs Worksheet** (See *Two-earners or multiple jobs* on page 1.)

**Note.** Use this worksheet *only* if the instructions under line H on page 1 direct you here.

- 1 Enter the number from line H, page 1 (or from line 10 above if you used the **Deductions and Adjustments Worksheet**) 1 \_\_\_\_\_
- 2 Find the number in **Table 1** below that applies to the **LOWEST** paying job and enter it here. **However**, if you are married filing jointly and wages from the highest paying job are \$35,001 or more, do not enter more than "3." 2 \_\_\_\_\_
- 3 If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result. If zero or less, enter "-0-" and on Form W-4, line 5, page 1. **Do not** use the **Worksheet** 3 \_\_\_\_\_
- Note.** If line 1 is **less than** line 2, enter "-0-" on Form W-4, line 5, page 1. Complete lines 4 through 9 to calculate the additional withholding amount necessary to avoid a year-end tax bill.
- 4 Enter the number from line 2 of this worksheet 4 \_\_\_\_\_
- 5 Enter the number from line 1 of this worksheet 5 \_\_\_\_\_
- 6 **Subtract** line 5 from line 4 6 \_\_\_\_\_
- 7 Find the amount in **Table 2** below that applies to the **HIGHEST** paying job and enter it here 7 \$ \_\_\_\_\_
- 8 **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed 8 \$ \_\_\_\_\_
- 9 Divide line 8 by the number of pay periods remaining in 2008. For example, divide by 26 if you are paid every two weeks and you complete this form in December 2007. Enter the result here and on Form W-4, line 6, page 1. This is the additional amount to be withheld from each paycheck 9 \$ \_\_\_\_\_

**Table 1**

Married Filing Jointly		All Others	
If wages from <b>LOWEST</b> paying job are—	Enter on line 2 above	If wages from <b>LOWEST</b> paying job are—	Enter on line 2 above
\$0 - \$4,500	1	\$0 - \$6,500	1
4,501 - 10,000	2	6,501 - 12,000	2
10,001 - 18,000	3	12,001 - 22,000	3
18,001 - 22,000	4	22,001 - 33,000	4
22,001 - 27,000	5	33,001 - 40,000	5
27,001 - 33,000	6	40,001 - 50,000	6
33,001 - 40,000	7	50,001 - 65,000	7
40,001 - 50,000	8	65,001 - 80,000	8
50,001 - 55,000	9	80,001 - 95,000	9
55,001 - 60,000	10	95,001 - 120,000	10
60,001 - 65,000	11	120,001 and over	11
65,001 - 75,000	12		
75,001 - 100,000	13		
100,001 - 110,000			
110,001 - 120,000			
120,001 and over			

**Table 2**

Married Filing Jointly		All Others	
If wages from <b>HIGHEST</b> paying job are—	Enter on line 7 above	If wages from <b>HIGHEST</b> paying job are—	Enter on line 7 above
\$0 - \$65,000	\$530	\$0 - \$35,000	\$530
65,001 - 120,000	880	35,001 - 80,000	880
120,001 - 180,000	980	80,001 - 150,000	980
180,001 - 310,000	1,160	150,001 - 340,000	1,160
310,001 and over	1,230	340,001 and over	1,230

**Notice.** We ask for the information you provide on this form to carry out the Internal Revenue laws of the United States. The Internal Revenue Code requires this information under sections 3402(f)(2)(A) and 6109 and their regulations. Failure to provide this information properly completed form will result in your being treated as a single person who claims no withholding allowances; providing fraudulent information may also subject you to penalties. Routine uses of this information include: (1) providing it to the Department of Justice for civil and criminal litigation, to cities, states, and the District of Columbia for use in administering their tax laws, and to the National Directory of New Hires. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.